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ATTORNEY GENERAL SAYS MORE MAY BE INVOLVED IN IRAN DEAL BY JIM ADAMS
WASHINGTON

Attorney General Edwin Meese said today more people may have been involved in diverting money from U.S. arms deals with Iranians to Nicaraguan rebels, but it had been quite clearly established that no top American officials were included.

"I think it is entirely possible that there were other people who were involved," Meese said in a television interview on NBC's "Today" program. "As a matter of fact our investigation will reveal just who was involved."

He said "we pretty clearly established at this point" that President Reagan, Vice President George Bush and all cabinet secretaries and top White House aides were not involved.

"But we will be pursuing this and whoever is involved I am convinced our investigation will show clearly what the facts are," Meese said.

Reagan announced yesterday that White House national security adviser Adm. John Poindexter had resigned over the Iran arms affair, widely viewed as by far the most serious crisis of Reagan's six-year old presidency.

Lt. Col. Oliver North, a National Security Council (NSC) staff member accused of involvement in the diversion of funds, was fired.

Before leaving Washington today to spend the Thanksgiving vacation at his California ranch, Reagan was expected to appoint a high-level commission to investigate the operation.

Meese told reporters yesterday that \$10-30 million in Iranian payments to Israeli dealers for U.S. arms had been put in Swiss bank accounts for the so-called contra guerrillas fighting the leftist Sandinista government in Nicaraqua.

Meese denied today that the diversion of funds by a White House aide showed Reagan could not control his staff.

"The president is a hands-on president," Meese said. "The president knows what is going on.

"What you have here is -- in the organization someplace -- things going on that were deliberately concealed from the president," he said. "There is no executive any place that can always be able to be aware of things like that.

"Remember, it was the president's action that brought it to light," Meese said. "It was the president's action that ordered us to make the facts available to the public and Congress."

The coupling of arms for Iran, where the revolutionary government still refers to the United States as "the Great Satan," with the perennially controversial issue of aid to the contras brought an outpouring of criticism.

Democrats and Republicans, former government officials and political analysts have said they see a president with his foreign policy in crisis and a White House in disarray.

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Details of the secret operation gradually unfolded over the past three weeks, after it was first leaked by the Iranians, with the pressure steadily mounting on the White House despite a televised speech and a subsequent news conference by Reagan.

The president said the operation, which started 18 months ago, was designed to establish better ties with Iran, bring an end to the six-year-old Persian Gulf war and obtain the release of American hostages held by Iranian-backed factions in Lebanon.

As a show of good faith, Reagan said, he allowed a "modest" quantity of arms to be sent to Iran, waiving in January an arms embargo imposed against Tehran in 1979 when Americans were taken hostage there.

He said he did not know about the financial transaction transferring profits from the arms sales to the contras until Meese informed him during the weekend.

Meese said yesterday that North was the only person in the administration who "knew precisely" of the operation under which the United States shipped an estimated \$12 million worth of anti-tank and anti-aircraft weapons to Israelis who in turn sold them to Iran for \$22-42 million.

After paying the United States the estimated value of the weapons, the Israeli arms dealers deposited the remaining funds in a numbered Swiss bank account available to the contras.

The Israeli government said yesterday it had transferred arms to Iran for the United States but denied it knew payments were channeled to the contras.

Contra leader Adolfo Calero said in Miami his organization had not received any of the funds decribed by Meese.

Administration sources discovered the diverted funds late last week when they reviewed a secret intelligence interception of communications in which Iranians and perhaps others discussed the price of the weapons, the Washington Post said today.

The Iranian deal has already triggered a series of investigations in Congress and by Meese's Justice Department, which is checking to see if any U.S. laws

have been broken.

Rep. Peter Rodino, a New York Democrat, and Sen. Patrick Leahy of Vermont called for appointment of a special prosecutor, as was done in the Watergate investigation of President Nixon's White House, to check who had known what and when about the Iran affair.

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Sen. Sam Nunn, a Georgia Democrat who will head the influential Armed Services Committee in the new Senate, said yesterday, "It appears there may have been legal violations (in the Iran operation) and I am sure the attorney general is going to make a thorough and exhaustive study of these".

At least five laws dealing with control of arms exports, anti-terrorism, congressional oversight of intelligence operations and military aid to the contras were possibly violated, according to critics.

In addition, questions were raised on how North could have carried out an operation involving the transfer of millions of dollars.

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Leahy, vice chairman of the Senate Intelligence Committee, said, "Somehow Col. North was able to set up a Swiss bank account, move \$30 million around and nobody knew what was going on."

The role of the Central Intelligence Agency (CIA) was also unclear.

Authoritative sources said it apparently got arms from the Defense Department and sold them to the Israelis for resale to Iran.

But members of vongressional intelligence committees said they did not think Central Intelligence Agency (CIA) Director William Casey had lied to them when he said he had no knowledge of the dealings.

Rep. Les Aspin, chairman of the House Armed Services Committee which has been holding hearings on the Iran affair, said the president had done the right thing in "clearing the decks" but suggested more departures may be necessary.

"Poindexter and North were involved ... But the other two were (White House chief of staff Donald) Regan and (Secretary of State George) Shultz", said Aspin, a Wisconsin Democrat.

Some analysts said Shultz had recaptured control of foreign policy for the State Department from the National Security Council, but others predicted continuing hostility by White House staff would eventually bring about his resignation.